First Nation role in Aquaculture

GOAL Conference, Vancouver, B.C.

Cermaq Canada and Ahousaht First Nation



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Company Structure



- Cermaq Canada was formerly known as Mainstream
 Canada
- Cermaq Canada is part of Cermaq AS, which is headquartered in Norway
- Cermaq AS has fish farming divisions in Canada, Norway and Chile
- Cermaq AS is now part of the Living Essentials division of the Mitsubishi Corporation.



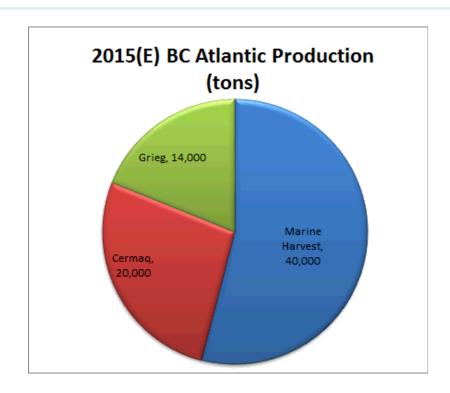
Cermaq Canada

Overview:

- Second largest operation in BC
- We operate 3 hatcheries, 1 spawning facility, 27 sea sites, 2 processing plants (1 is a contract).

Employment:

- 250+ direct employees
- 150 West Coast and 100 East Coast of Vancouver Island
- Over 35% of employees in West Coast are aboriginal
- Over 100 indirect employees

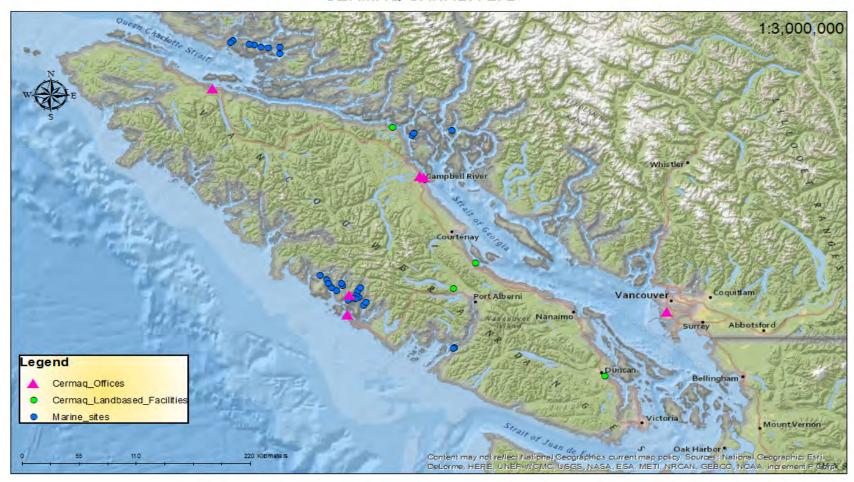






Cermaq Canada Locations

CERMAQ CANADA LTD





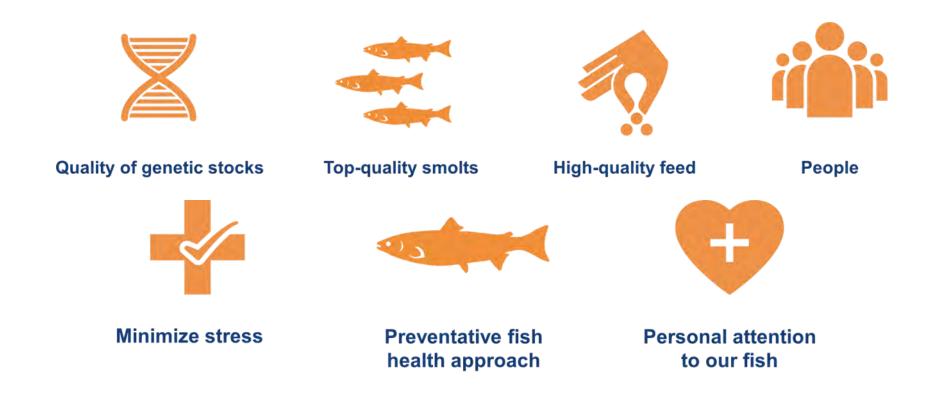
Sustainability

"Development that meets the needs of the present without compromising the ability of future generations to meet their needs".



Our recipe for Success

Cermaq Canada focus is Sustainable Aquaculture with emphasis on operational excellence throughout the value chain..



Three Pillars of Sustainability



ENVIRONMENTAL

Our aim is to produce food in a sustainable way, which preserves resources for future generations.



SOCIAL

We contribute to communities where we operate by building strong partnerships and employment.



ECONOMICAL

We need to be a profitable business over the long term to support the other two pillars.

- All pillars are needed to support sustainability
- Sustainability is achieved through continual improvement in all pillars

A history of leading the way

Cermaq Canada's commitment to continuous improvement through certification began in 2005



Achieved 2005 FIRST aquaculture company in Canada



Achieved 2009
ONLY aquaculture
company in Canada



Achieved 2009
ONLY aquaculture
company in Canada



Achieved 2011
ONLY aquaculture
company in Canada



Achieved 2011
ONLY aquaculture company in Canada



Achieved 2011 FIRST aquaculture company in BC



Achieved 2011
FIRST salmon farming company in world (now 3-star certified)



Two sites achieved 2015



What do these certifications mean?



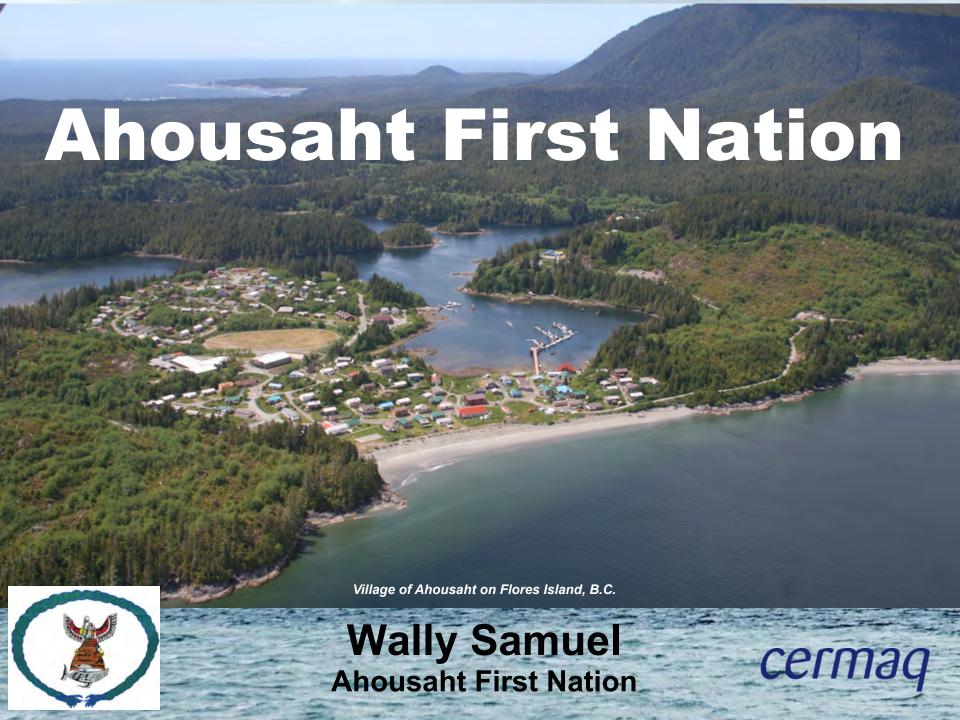


- Market-driven
- Science-based
- Assures customers we follow sustainable farming practices
- All our harvesting sites are certified
- Feed supplier and processing plant are certified





- Aboriginal Aquaculture Association principles of sustainable aquaculture certification
- Recognizes our partnership with Ahousaht First Nation in Clayoquot Sound



Ahousaht First Nation

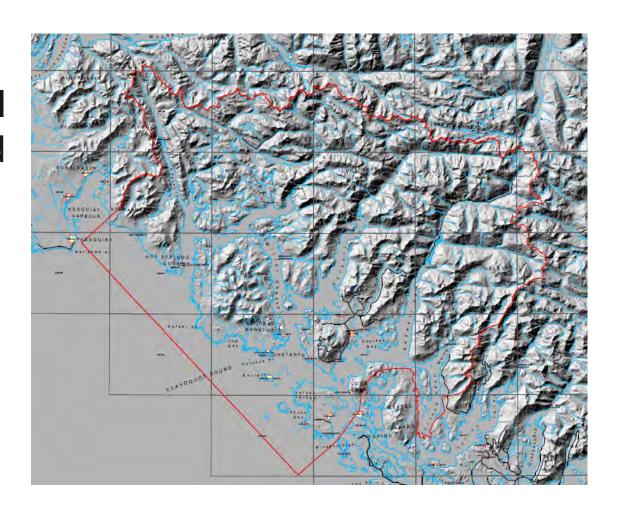
- Located on Flores Island in B.C.'s Clayoquot Sound (Tofino)
- Has 2,000 + members, and is the largest single First Nation on Vancouver Island's West Coast





Ahousaht territory

The Ahousaht have Aboriginal Rights, title and other interests within the territory the Ahousaht refer to as the Hahoulthee of the Hawiih





Making Decisions

- The Ha'wiih (Hereditary Chief) is a collective leadership shared by three chiefs:
 - Ha'wiih Tyee Chief Maquinna (Lewis George),
 - A-in-chut (Shawn Atleo, former national chief of the Assembly of First Nations)
 - Tlak-kish-swi-a (John Keitlah III)
- There role is to look after their Ha'houlthee (territory and resources)
- There is also an elected Chief and 12 person council

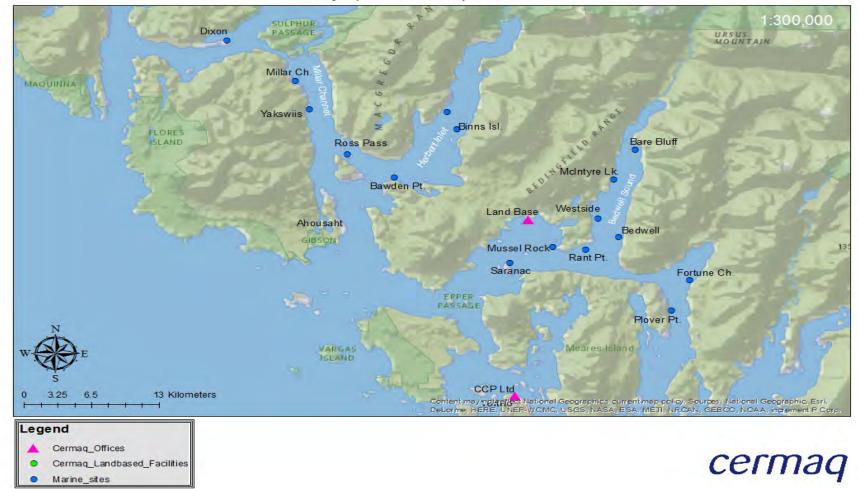






Cermaq sites in Ahousaht territory

CERMAQ CANADA LTD Clayoquot Sound Operations





Role of First Nations in Aquaculture



Increase of Worldwide demand for protein

- Estimated nine billion people by 2050 that will need protein
- A sustainable way to meet that demand is by aquaculture
- Coastal Aboriginal communities have an opportunity to use their political access, fisheries experience and labour to the aquaculture sector



Roles vary depending on agreements

"Aquaculture Partnerships – Guide for Aboriginal communities" - AAA

1. Benefit-sharing partnership (passive participation)

- Negotiated agreements done in advance
 - Direct and indirect jobs
 - Economic development and capacity funding
 - Community programs
- Comprehensive partnerships can be used to raise capital for other businesses

2. Business-ownership partnership (active participation)

- Variety of 100% owned or Majority share
- 50 / 50 partnership or Shareholders
- Minority share
- Risk/reward trade off (Sharing of financial risk)

Benefits of partnering

For Aboriginal communities

- Economic development capital
- Management & operations expertise
- Contracting opportunities
- Access to Industry networks
- Capacity & social programs funding
- Employment

For Industry

- Access to tenures
- Local employees
- Direct communications
- Operational support
- Social licence



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Developing a partnership - Aboriginal Aquaculture

Association

- 1. Get Ready
 - Form a team, access readiness, find networks
- 2. Identify Potential Partners
 - Existing relations, advisors, opportunities
- 3. Engage with Potential Partners
 - Build strong relationships, form agreements, network and share cultures
- 4. Manage the Partnership
 - Capacity development, adjust, certifications (APSA)
- 5. Ending the Partnership
 - conflict resolution, have a process in place, remember the vision



Cermaq / Ahousaht Case study



1. Getting Ready

- In 2008 Hawiih formed the Ahousaht Fish Farm Protocol Committee
- Goal was to look for an agreement with a company that would provide jobs and economic benefits for Ahousaht







2. Identify Partners

- In 2002 a one page protocol was created by the company bought out by Cermaq
- A decision was made to approach the company to renew and expand the agreement
- Cermaq agreed and formed their own Protocol committee
- Vision statement was agreed on





Vision Statement

The Ahousaht Hawiih and Community along with Cermaq leadership and staff will work together to establish a sustainable finfish aquaculture business in the Ahousaht Hahoulthee that will demonstrate a respect for and seek a balance among all living things.





3. Engage with Potential Partners

- Formal process: monthly meetings
- Goal was a formal written agreement
- Committees first to agree, then take to Ahousaht leadership
- Many versions of the agreement were completed
- Takes time, do not rush.
- 18 months to complete agreement







4. Manage the Partnership

- Trust is important and necessary to move forward
- Respect for each other is critical to making this work
- Need to commit to honest and open sharing of information, ideas and joint problem solving
- Sharing cultural experiences leads to mutual understanding
- Create a clear communication process







Case study – ending and lessons

5. Ending the Partnership

- Decide first on a strong commitment to communicate, keep going back to the vision and what the intent is
- Agree on a process for conflict resolution, how will disputes be handled if required





Key Lessons

- Not everyone will agree or understand full details
- Have a great organizational system for documents
- You need sufficient people for constant engagement
- Run the business like a business, keep politics out if you can
- Clarify roles and responsibilities so when new people get involved they know what to do





Thank you!

www.cermaq.ca

www.ahousaht.ca

